

Supreme Court Of United States Rules That The Standard Oil Company Is a Conspiracy And A Monopoly Operating In Restraint Of Trade And That Labor Contempt Sentence Is Void

## SUPREME COURT RULES STANDARD OIL COMPANY MUST BE DISSOLVED

Six Months' Time Given Big Corporation To Quit Business

DECISION RENDERED BY CHIEF JUSTICE

Section of Opinion Calling for "Rule of Reason" Is Regarded as a Submission to Prayers of Business World

Washington, May 15.—The Standard Oil company of New Jersey and its 19 subsidiary corporations were declared today by the supreme court of the United States to be a conspiracy and combination in restraint of trade. It also was held to be monopolizing interstate commerce in violation of the Sherman anti-trust law. The dissolution of the combination was ordered to take place within six months.

Thus ended the tremendous struggle of years on the part of the government to put down by authority of law a combination which it claimed was a menace to the industrial and economic advancement of the entire country.

At the same time the court interpreted the Sherman anti-trust law so as to limit its application to acts of "undue" restraint of trade and not "every" restraint of trade. It was on this point that the only discordant note was heard in the court. Justice Harlan dissented, claiming that cases already decided by the court had determined once for all that the word "undue" or "unreasonable," or similar words, were not in the statute. He declared that the reasoning of the court in arriving at its finding was in effect legislation which belonged in every instance to Congress and not to the courts.

Ever since the decree in this case in the lower court, the United States circuit court for the eastern district of Missouri, was announced, hope has been expressed by the "business world" that the law would be modified so as not to interfere with what was designated as honest business.

Tonight that section of the opinion calling for the use of the "rule of reason" in applying the law is regarded in many quarters as an answer to the prayers of the "business world."

**White Announces Opinion**  
The opinion of the court was announced by Chief Justice White. In printed form it contained more than 20,000 words. For nearly an hour the chief justice discussed the case from the bench, going over most of the points in the printed opinion, but not once referring to it in order to refresh his memory. Before him sat a distinguished audience of the most famous men of the country. Senators and representatives left their respective chambers in the capital to listen to the epoch-making decision of the court. Most eager to hear were Attorney General Wickersham and Frank B. Kellogg, special counsel of the government, who had conducted the great fight against the Standard oil.

None of the brilliant array of counsel of the corporations or individual defendants was present in the court during the reading of the opinion. Today, as on previous decision days for months past, rival broker agents with messengers in line to the various telephone and telegraph instruments throughout the capital were on hand, but to their dismay the announcement of the decision was not begun until an hour after the closing of the stock markets.

Many expected that the decision of the court in the dissolution suit against the tobacco corporations would be handed down immediately after the decision in the Standard oil case. This was not done, however, but the decision is expected on May 23, the last decision day of the court until next October.

The opinion of the court today was construed to mean that the tobacco case, like every other case in which restraints of trade are alleged, must be subjected to the new test of reasonableness of the restraint, as laid down in the Standard oil decision.

By far the greater portion of the opinion of the chief justice was devoted to the justification of the court in requiring that the "rule of reason" be applied to restraints by trade before they were held to be violations of the Sherman anti-trust law. The court found this justification in the common law of the forefathers and in the general law of the country at the time the Sherman anti-trust law was passed. In short, the court held that the technical words of the statute were to be given the meaning which those words had in common law and in the law of the country at the time of the enactment. This meaning of the words, according to the court, called for the exercise of reason in determining what restraints in trade were prohibited.

**White Reviews Case**  
Chief Justice White, in his opinion, first reviewed the preliminary proceedings on the case in the circuit court of the United States for the eastern district of Missouri. He re-stated the essential points in the bill of the government asking for the dissolution of the Standard Oil and, the answer, questioning the jurisdiction of the government and denying the claims of the government. He dismissed the objection to the jurisdiction in a few words by holding that it was not well founded. He then came to the arguments as to the law and the facts in the case, saying that out of the "jungle" of law and facts, both sides were agreed only in one thing and that was that the determination of the controversy rested upon the proper construction and application of the first and second sections of the anti-trust acts. The views of the two sides as to the law the chief justice said were as wide apart as the poles. The same, he said, was true as to the facts.

Thus, on the one hand with relentless pertinacity and minuteness of analysis, said the chief justice, "it is insisted that the facts established that the assailed combination took its birth in a purpose to unlawfully acquire wealth by oppressing the public and destroying the just rights of others and that its entire career exemplified an inexorable carrying out of such

### Boiled Down Supreme Court Decision on Standard Oil

Washington, May 15.—The supreme court holds: That the Standard Oil company is a monopoly in restraint of trade. That this giant corporation must be dissolved within six months. Corporations whose contracts are "not unreasonably restrictive of competition" are not affected. Other great corporations whose acts may be called into question will be dealt with according to the merits of their particular cases. The court was unanimous in the main features of the decision, Justice Harlan dissenting only as to limitation of the application of the Sherman anti-trust law. President Taft and the attorney general will consider immediately the entire trust situation and the advisability of pressing for a federal incorporation act. A decision in the Standard Oil case, which was expected simultaneously, was not announced today, and may be handed down on May 23.

### BIG INDUSTRIAL CONGRESS MEETS

International Union Represents 34 Nations

WILL LAST SIX WEEKS

Delegates From All Over World Gather At Washington—Are Endowed With Plenary Powers

Washington, May 15.—The fourth congress of the International Union for the Protection of Industrial Property opened here today with representatives of 34 nations attending and Charles Maguire, former ambassador to Germany, presiding as permanent president.

This conference, which is expected to last for six weeks, is not merely a gathering for the discussion of problems concerning patented and trade-marked articles of commerce. The delegates have plenary powers from their respective governments authorizing them to negotiate and sign treaties. The countries represented were given two years' notice of the meeting and many important propositions have been prepared for submission.

**Draws Attention of World**  
The attention of the entire industrial world will be directed toward this gathering, which may continue six weeks. The conference is expected to negotiate many treaties affecting various industrial problems. It is known that there will be seven propositions in the form of proposed treaties submitted by six countries as soon as the congress is organized. The nature of these propositions will be kept secret until made public by the delegates of the various countries. Great Britain has given notice of two proposed treaties, while one each will be submitted by France, Germany, Netherlands, Sweden and Switzerland. It is likely also that the international bureau at Bern, which is maintained as a sort of bureau of information by the nations signatory to the treaty of Paris and subsequent treaties may advance several questions for discussion.

The programme today included the presentation of the credentials of delegates and other routine matters incident to organization. All of the proceedings of the conference are conducted in French and are secret.

Speeches of welcome will be delivered tomorrow by Secretary of State Knox and Secretary of the Interior Fisher.

Delegates to the meeting have full plenary powers, including authority to draft and sign treaties and agreements in the names of the countries they represent. In nearly every instance the chairman of a delegation is the highest diplomatic officer of his country now in the United States.

While this meeting is called the "fourth" meeting, it is in reality the sixth meeting. The International Union was

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### LABOR CONTEMPT SENTENCES ARE DECLARED VOID

Gompers and Labor Leaders Step From Shadow of Prison

CASE GREW OUT OF ALLEGED BOYCOTT

Supreme Court Holds That Proceedings Were for Civil Contempt Instead of Criminal Contempt. Important Decision

Washington, May 15.—Samuel Gompers, John Mitchell and Frank Morrison, president, vice president and secretary of the American Federation of Labor respectively, stepped from without the shadow of the jail today when the supreme court of the United States set aside their sentences of imprisonment for contempt growing out of the litigation between the Buck's Stove and Range company and the federation. The highest tribunal in the land has left with the lower court, however, the right to reopen the contempt proceedings. This grant of power probably will not be accepted, and the case practically is ended with today's decision.

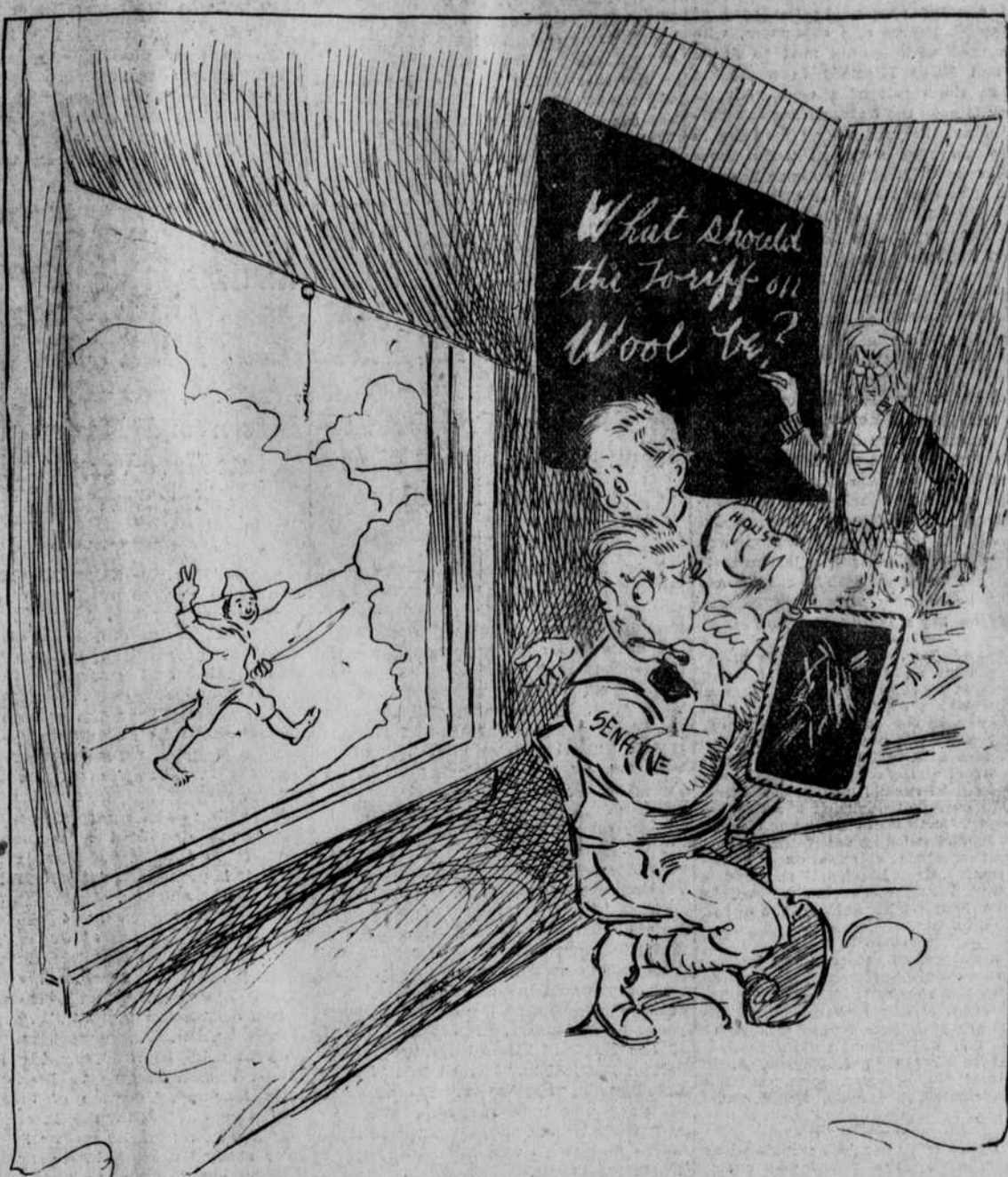
The basis of the court's opinion was that the proceeding brought against the labor officers was for civil contempt which could be punished only by the imposition of a fine, the sentence of the lower court to imprisonment was the penalty for criminal contempt and in the premises, therefore, it was not a legal punishment.

The case, which grew out of the so-called boycott of the stove corporation by the American Federation of Labor three years ago, is one of the greatest, alike to union labor and to the employers of union labor. The supreme court holds that the published or spoken utterance of organized labor can be enjoined or attacked legally because organized labor is a combination and as such relinquishes the rights of an individual. It also establishes the fact that legal prosecution can be leveled not only at the union itself but at its officers as well.

In handing down its unanimous opinion, read by Justice Lamar, the court reviewed the suit brought by the Buck's Stove and Range company against Gompers, Mitchell and Morrison, seeking to enjoin them from placing the company on its "unfair" and "we-don't-patronize list," lists published regularly in the American Federation

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CHIEF JUSTICE EDWARD DOUGLASS WHITE



### TAFT NOW FACES "TRUST QUESTION"

Standard Decision Brings Up Another Administration Issue

Washington, May 15.—President Taft and his cabinet at the regular session tomorrow, will take up the solution of the "trust question" brought sharply before them by the Standard Oil decision. Officials of the administration knew nothing as to how the supreme court would determine the case, but a decision in favor of the government was not unlooked for, especially by the President, Attorney General Wickersham, Secretary Knox and the other lawyers in the cabinet.

Last fall, long before the final arguments in the case were made, Mr. Wickersham with the approval of the President, framed a "federal incorporation bill," designed to permit the existence of legitimate combinations of capital, but so worded as to prohibit monopolies and subjecting corporations to supervision. That measure was never pressed in congress, although it was introduced. Its reintroduction in this Congress is a possibility.

The President himself had nothing to say about the decision tonight. He told callers he wished to read it carefully, to discuss it with the cabinet and to discuss it with Mr. Wickersham. Until these things had been done he had no opinion to voice.

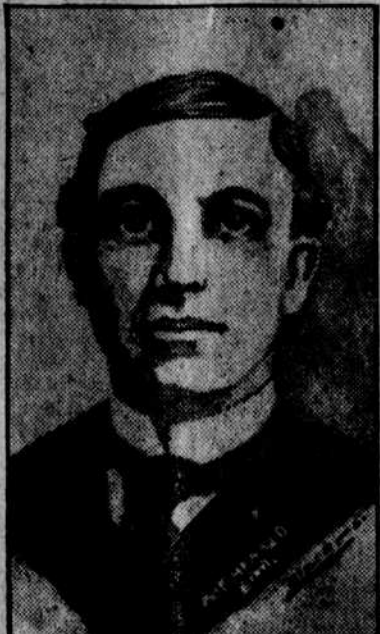
The President began to get bulletins on the decision from the office of the clerk of the supreme court shortly after he reached Washington late this afternoon. Direct telephone connections had been made with the capital, and as the points made by Chief Justice White were read in the court room they were given to the White House.

The President listened with interest to the bulletins handed to him and discussed them with Secretary Aldrich. He did not see the complete decision until a half hour after the chief justice had finished reading. The White House had to send a messenger on a bicycle up to the capital to get one.

SAMUEL GOMPERS



JOHN MITCHELL



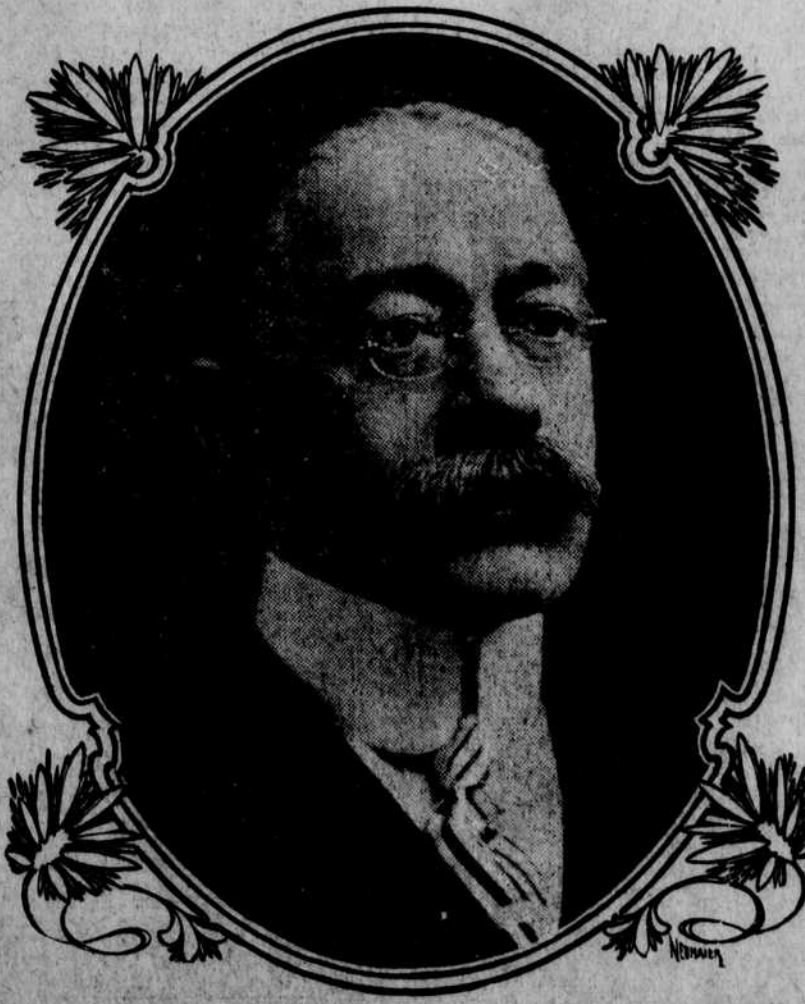
### WOULD ADVANCE THE PATTEN CASE

Washington, May 15.—The government today asked the supreme court of the United States to advance for hearing next October the cases involving the validity of the indictment under the Sherman anti-trust law of James A. Patten and others on charges of "cornering the cotton market."

### TODAY'S AGE-HERALD

- 1—Standard Oil must be dissolved. Industrial congress meets.
- 2—Labor contempt sentences void.
- 3—Taft faces "trust question".
- 4—Peace looms up in Mexico.
- 5—Cross Pearce next arraigned.
- 6—All dogs must be chained.
- 7—Complete waterway programme.
- 8—Editorial comment.
- 9—Road congress programme completed.
- 10—Delegates arrive to basin and river convention.
- 11—Commission will be busy.
- 12—Notable shaft to heroic slave.
- 13—Sports.
- 14—Clifford Bruce talks.
- 15—Society.
- 16—Railroads must repair couplers.
- 17—Dora is swept by fire.
- 18—General building news.
- 19—Country favors waterway policy.
- 20—Market page.
- 21—Little Rock ready for veterans.

GEORGE W. WICKERSHAM



### PEACE LOOMS UP BIG IN MEXICO'S INTERNAL AFFAIRS

Judge Carbajal Receives Instructions To Proceed With Negotiations

BELIEVED DEMANDS OF REBELS ACCEPTED

Madero Holds Long Conference With Judge Carbajal and It Is Believed Another Armistice Seems Assured

Juarez, May 15.—Provisional President Francisco I. Madero, Jr., at the conclusion of a conference with Judge Carbajal, the federal peace envoy, at 9:30 o'clock tonight, announced there was a strong probability that peace would be restored in Mexico within a short time.

"Judge Carbajal brought some propositions," said Senator Madero, to an Associated Press representative, "and I made some modifications in our original propositions. In fact, these concessions, slight though they may be, were made to show our willingness to meet the government half way and after our military triumphs it more than indicates our good disposition to treat for peace."

Senator Madero declared he would have another conference tomorrow night with Judge Carbajal. By that time the latter will have received a reply from the Mexican government to the proposition discussed with Senator Madero tonight.

Senator Madero admitted the next move on the peace checker board was up to the government.

There was evidence of a determination to prosecute the war should the government refuse to accede. They gave the impression that the matter had reached a point of an ultimatum and that the decision would be cast tomorrow.

Senator Carbajal brought definite propositions which the government is disposed to consider and it is believed that upon the outcome of the conference depends whether peace will be restored in the republic.

Senator Carbajal early today asked for a conference with Provisional President Madero and it was known he had received a long telegram from Mexico City, giving him practically new instructions.

**Air of Optimism**  
All day an optimistic atmosphere surrounded the federal and rebel peace commissioners and it was evident that communications were passing back and forth respecting new proposals. These culminated in the meeting of Senator Carbajal and Senator Madero tonight. "Well, first since the day they met in 'Peace Grove' about three miles away and marked out the neutral spot for the formal peace negotiations destined to last but a single day."

The most optimistic feature of the day's developments is that Senator Carbajal has been invested with plenary powers and is authorized to sign the peace agreement on certain conditions.

What these terms are has been a matter of secrecy, but the original demand of the insurgents that they be allowed 14 governors of the 27 states and that they be represented in a new cabinet by four members of their party has not been received with enthusiasm by the federal government, although the question of the resignation of Diaz has been shelved as a result of Minister Limantour's explanation.

What the federal government is disposed to offer is a definite offer of 10 governorships and but one member in the cabinet without reorganizing it.

There is a belief tonight, however, that the government may promise four members of the cabinet to the rebels. President Diaz and Senator De La Barra is made provisional president. A reorganization of the cabinet will then follow and supporters of the federal government are inclined to believe a radical delivery of power might be expected to witless by giving them four portfolios might be better at that time than now.

### Peace Is Near

Mexico City, May 15.—Falling just a little short of a definite statement that the terms proposed by the revolutionists had been acceded to, a high government official tonight expressed the opinion that peace was more nearly assured than at any time since the insurrection began. Negotiations were proceeding, he said, on an entirely new basis. A proposal transmitted from the rebel leaders, through Judge Carbajal, was gone over by the President and the ministers yesterday. A counter proposition was submitted last night. Upon the nature of the reply awaited tonight from the north appeared to depend the success or failure of the new peace campaign.

No hint of the contents of the counter proposition could be obtained from the ministers. Publicity, they alleged, had much to do with the failure of the previous negotiations. The delicate nature of the matters under consideration, it was pointed out, required that every effort be made to avoid a misconception being placed upon the concessions either side was prepared upon to make. "All that I am at liberty to state," said Minister De La Barra, "is that progress is being made along a line which will preserve the dignity and honor of the government and which will undoubtedly result in an agreement for the greatest good of the nation."

Mr. De La Barra intimated that tomorrow might be expected to witness the consummation of the peace agreement.

Whether the negotiations succeed or fail the fact that they were in progress worked a marked change in the public mind today. The state of excitement and apprehension into which the populace had been thrown by the many rumors of the last few days was greatly relieved.

El Paso, May 15.—The end of the revolution in Mexico seems near. Judge Carbajal, federal peace commissioner, this morning received telegraphic instructions from Mexico City to proceed with peace negotiations along the line proposed by Rafael Hernandez, center of the army carried in last night's Associated Press dispatches and based upon Madero's demands.

SOME LEADING FIGURES IN SUPREME COURT DECISION

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